

Pub. L. 95-109, Sept. 20, 1977, 91 Stat. 874, as amended, which is classified generally to subchapter V (§1692 et seq.) of chapter 41 of Title 15, Commerce and Trade. For complete classification of this Act to the Code, see Short Title note set out under section 1601 of Title 15 and Tables.

EFFECTIVE DATE

Pub. L. 108-357, title VIII, §881(f), Oct. 22, 2004, 118 Stat. 1627, provided that: “The amendments made to [by] this section [enacting this section and section 7433A of this title, amending sections 7809 and 7811 of this title, and amending provisions set out as a note under section 7804 of this title] shall take effect on the date of the enactment of this Act [Oct. 22, 2004].”

BIENNIAL REPORT

Pub. L. 108-357, title VIII, §881(e), Oct. 22, 2004, 118 Stat. 1627, provided that: “The Secretary of the Treasury shall biennially submit (beginning in 2005) to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives a report with respect to qualified tax collection contracts under section 6306 of the Internal Revenue Code of 1986 (as added by this section) which includes—

- “(1) a complete cost benefit analysis,
- “(2) the impact of such contracts on collection enforcement staff levels in the Internal Revenue Service,
- “(3) the impact of such contracts on the total number and amount of unpaid assessments, and on the number and amount of assessments collected by Internal Revenue Service personnel after initial contact by a contractor,
- “(4) the amounts collected and the collection costs incurred (directly and indirectly) by the Internal Revenue Service,
- “(5) an evaluation of contractor performance,
- “(6) a disclosure safeguard report in a form similar to that required under section 6103(p)(5) of such Code, and
- “(7) a measurement plan which includes a comparison of the best practices used by the private collectors with the Internal Revenue Service's own collection techniques and mechanisms to identify and capture information on successful collection techniques used by the contractors which could be adopted by the Internal Revenue Service.”

Subchapter B—Receipt of Payment

Sec.	
6311.	Payment of tax by commercially acceptable means.
[6312.	Repealed.]
6313.	Fractional parts of a cent.
6314.	Receipt for taxes.
6315.	Payments of estimated income tax.
6316.	Payment by foreign currency.
6317.	Payments of Federal unemployment tax for calendar quarter.

AMENDMENTS

1997—Pub. L. 105-34, title XII, §1205(b), Aug. 5, 1997, 111 Stat. 998, substituted “Payment of tax by commercially acceptable means” for “Payment by check or money order” in item 6311.

1971—Pub. L. 92-5, title I, §4(a)(2), Mar. 17, 1971, 85 Stat. 5, struck out item 6312 “Payment by United States notes and certificates of indebtedness”.

1969—Pub. L. 91-53, §2(f)(2), Aug. 7, 1969, 83 Stat. 93, added item 6317.

REPEALS

Pub. L. 92-5, title I, §4(a)(2), Mar. 17, 1971, 85 Stat. 5, which struck out item 6312, was repealed by Pub. L. 97-258, §5(b), Sept. 13, 1982, 96 Stat. 1068, 1081.

§ 6311. Payment of tax by commercially acceptable means

(a) Authority to receive

It shall be lawful for the Secretary to receive for internal revenue taxes (or in payment for internal revenue stamps) any commercially acceptable means that the Secretary deems appropriate to the extent and under the conditions provided in regulations prescribed by the Secretary.

(b) Ultimate liability

If a check, money order, or other method of payment, including payment by credit card, debit card, or charge card so received is not duly paid, or is paid and subsequently charged back to the Secretary, the person by whom such check, or money order, or other method of payment has been tendered shall remain liable for the payment of the tax or for the stamps, and for all legal penalties and additions, to the same extent as if such check, money order, or other method of payment had not been tendered.

(c) Liability of banks and others

If any certified, treasurer's, or cashier's check (or other guaranteed draft), or any money order, or any other means of payment that has been guaranteed by a financial institution (such as a credit card, debit card, or charge card transaction which has been guaranteed expressly by a financial institution) so received is not duly paid, the United States shall, in addition to its right to exact payment from the party originally indebted therefor, have a lien for—

- (1) the amount of such check (or draft) upon all assets of the financial institution on which drawn,
- (2) the amount of such money order upon all the assets of the issuer thereof, or
- (3) the guaranteed amount of any other transaction upon all the assets of the institution making such guarantee,

and such amount shall be paid out of such assets in preference to any other claims whatsoever against such financial institution, issuer, or guaranteeing institution, except the necessary costs and expenses of administration and the reimbursement of the United States for the amount expended in the redemption of the circulating notes of such financial institution.

(d) Payment by other means

(1) Authority to prescribe regulations

The Secretary shall prescribe such regulations as the Secretary deems necessary to receive payment by commercially acceptable means, including regulations that—

- (A) specify which methods of payment by commercially acceptable means will be acceptable,
- (B) specify when payment by such means will be considered received,
- (C) identify types of nontax matters related to payment by such means that are to be resolved by persons ultimately liable for payment and financial intermediaries, without the involvement of the Secretary, and
- (D) ensure that tax matters will be resolved by the Secretary, without the involvement of financial intermediaries.

(2) Authority to enter into contracts

Notwithstanding section 3718(f) of title 31, United States Code, the Secretary is authorized to enter into contracts to obtain services related to receiving payment by other means where cost beneficial to the Government. The Secretary may not pay any fee or provide any other consideration under any such contract for the use of credit, debit, or charge cards for the payment of taxes imposed by subtitle A.

(3) Special provisions for use of credit cards

If use of credit cards is accepted as a method of payment of taxes pursuant to subsection (a)—

(A) a payment of internal revenue taxes (or a payment for internal revenue stamps) by a person by use of a credit card shall not be subject to section 161 of the Truth in Lending Act (15 U.S.C. 1666), or to any similar provisions of State law, if the error alleged by the person is an error relating to the underlying tax liability, rather than an error relating to the credit card account such as a computational error or numerical transposition in the credit card transaction or an issue as to whether the person authorized payment by use of the credit card,

(B) a payment of internal revenue taxes (or a payment for internal revenue stamps) shall not be subject to section 170 of the Truth in Lending Act (15 U.S.C. 1666i), or to any similar provisions of State law,

(C) a payment of internal revenue taxes (or a payment for internal revenue stamps) by a person by use of a debit card shall not be subject to section 908 of the Electronic Fund Transfer Act (15 U.S.C. 1693f), or to any similar provisions of State law, if the error alleged by the person is an error relating to the underlying tax liability, rather than an error relating to the debit card account such as a computational error or numerical transposition in the debit card transaction or an issue as to whether the person authorized payment by use of the debit card,

(D) the term “creditor” under section 103(f)¹ of the Truth in Lending Act (15 U.S.C. 1602(f)) shall not include the Secretary with respect to credit card transactions in payment of internal revenue taxes (or payment for internal revenue stamps), and

(E) notwithstanding any other provision of law to the contrary, in the case of payment made by credit card or debit card transaction of an amount owed to a person as the result of the correction of an error under section 161 of the Truth in Lending Act (15 U.S.C. 1666) or section 908 of the Electronic Fund Transfer Act (15 U.S.C. 1693f), the Secretary is authorized to provide such amount to such person as a credit to that person’s credit card or debit card account through the applicable credit card or debit card system.

(6) Confidentiality of information**(1) In general**

Except as otherwise authorized by this subsection, no person may use or disclose any in-

formation relating to credit or debit card transactions obtained pursuant to section 6103(k)(9) other than for purposes directly related to the processing of such transactions, or the billing or collection of amounts charged or debited pursuant thereto.

(2) Exceptions

(A) Debit or credit card issuers or others acting on behalf of such issuers may also use and disclose such information for purposes directly related to servicing an issuer’s accounts.

(B) Debit or credit card issuers or others directly involved in the processing of credit or debit card transactions or the billing or collection of amounts charged or debited thereto may also use and disclose such information for purposes directly related to—

- (i) statistical risk and profitability assessment;
- (ii) transferring receivables, accounts, or interest therein;
- (iii) auditing the account information;
- (iv) complying with Federal, State, or local law; and
- (v) properly authorized civil, criminal, or regulatory investigation by Federal, State, or local authorities.

(3) Procedures

Use and disclosure of information under this paragraph shall be made only to the extent authorized by written procedures promulgated by the Secretary.

(4) Cross reference

For provision providing for civil damages for violation of paragraph (1), see section 7431.

(Aug. 16, 1954, ch. 736, 68A Stat. 777; Pub. L. 94-455, title XIX, § 1906(b)(13)(A), Oct. 4, 1976, 90 Stat. 1834; Pub. L. 98-369, div. A, title IV, § 448(a), July 18, 1984, 98 Stat. 817; Pub. L. 105-34, title XII, § 1205(a), Aug. 5, 1997, 111 Stat. 995; Pub. L. 105-206, title VI, § 6012(b)(1), July 22, 1998, 112 Stat. 819; Pub. L. 105-277, div. J, title IV, § 4003(k), Oct. 21, 1998, 112 Stat. 2681-910.)

REFERENCES IN TEXT

Section 103(f) of the Truth in Lending Act, referred to in subsec. (d)(3)(D), was redesignated section 103(g) of the Truth in Lending Act by Pub. L. 111-203, title X, § 1100A(1)(A), July 21, 2010, 124 Stat. 2107.

AMENDMENTS

1998—Subsec. (d)(2). Pub. L. 105-277 substituted “under any such contract for the use of credit, debit, or charge cards for the payment of taxes imposed by subtitle A” for “under such contracts”.

Subsec. (e)(1). Pub. L. 105-206 substituted “section 6103(k)(9)” for “section 6103(k)(8)”.

1997—Pub. L. 105-34 amended section catchline and text generally, substituting provisions relating to payment of tax by commercially acceptable means for provisions consisting of subsecs. (a) and (b) relating to payment by check or money order and liability if a check or money order received is not duly paid.

1984—Subsec. (b)(2). Pub. L. 98-369 substituted “or cashier’s check (or other guaranteed draft)” for “or cashier’s check”, “the amount of such check (or draft)” for “the amount of such check”, and “the financial institution” for “the bank or trust company”, and substituted “such financial institution” for “such bank” in two places.

1976—Subsec. (a). Pub. L. 94-455 struck out “or his delegate” after “Secretary” wherever appearing.

¹ See References in Text note below.

EFFECTIVE DATE OF 1998 AMENDMENTS

Amendment by Pub. L. 105-277 effective as if included in the provision of the Taxpayer Relief Act of 1997, Pub. L. 105-34, to which such amendment relates, see section 4003(d) of Pub. L. 105-277, set out as a note under section 86 of this title.

Amendment by Pub. L. 105-206 effective, except as otherwise provided, as if included in the provisions of the Taxpayer Relief Act of 1997, Pub. L. 105-34, to which such amendment relates, see section 6024 of Pub. L. 105-206, set out as a note under section 1 of this title.

EFFECTIVE DATE OF 1997 AMENDMENT

Amendment by Pub. L. 105-34 effective on the day 9 months after Aug. 5, 1997, see section 1205(d) of Pub. L. 105-34, set out as a note under section 6103 of this title.

EFFECTIVE DATE OF 1984 AMENDMENT

Section 448(b) of Pub. L. 98-369 provided that: “The amendments made by subsection (a) [amending this section] shall take effect on the date of the enactment of this Act [July 18, 1984].”

REGULATIONS

Pub. L. 105-206, title III, §3703, July 22, 1998, 112 Stat. 777, provided that: “The Secretary of the Treasury or the Secretary’s delegate shall establish such rules, regulations, and procedures as are necessary to allow payment of taxes by check or money order made payable to the United States Treasury.”

REQUIRED NOTICE OF CERTAIN PAYMENTS

Pub. L. 104-168, title XII, §1202, July 30, 1996, 110 Stat. 1470, provided that: “If any payment is received by the Secretary of the Treasury or his delegate from any taxpayer and the Secretary cannot associate such payment with such taxpayer, the Secretary shall make reasonable efforts to notify the taxpayer of such inability within 60 days after the receipt of such payment.”

[§ 6312. Repealed. Pub. L. 92-5, title I, §4(a)(2), Mar. 17, 1971, 85 Stat. 5]

Section, act Aug. 16, 1954, ch. 736, 68A Stat. 777, permitted the Secretary to receive Treasury bills, notes and certificates of indebtedness issued by the United States in payment of any internal revenue taxes or stamps.

EFFECTIVE DATE OF REPEAL

Section 4(a) of Pub. L. 92-5 provided that the repeal of this section is effective with respect to obligations issued after Mar. 3, 1971.

REPEALS

Pub. L. 92-5, title I, §4(a)(2), Mar. 17, 1971, 85 Stat. 5, which repealed this section and provided for the effective date of that repeal, was itself repealed by Pub. L. 97-258, §5(b), Sept. 13, 1982, 96 Stat. 1068, 1081.

§ 6313. Fractional parts of a cent

In the payment of any tax imposed by this title, a fractional part of a cent shall be disregarded unless it amounts to one-half cent or more, in which case it shall be increased to 1 cent.

(Aug. 16, 1954, ch. 736, 68A Stat. 778; Pub. L. 94-455, title XIX, §1906(a)(19), Oct. 4, 1976, 90 Stat. 1825.)

AMENDMENTS

1976—Pub. L. 94-455 struck out “not payable by stamp” after “title”.

§ 6314. Receipt for taxes

(a) General rule

The Secretary shall, upon request, give receipts for all sums collected by him, excepting

only when the same are in payment for stamps sold and delivered; but no receipt shall be issued in lieu of a stamp representing a tax.

(b) Duplicate receipts for payment of estate taxes

The Secretary shall, upon request, give to the person paying the tax under chapter 11 (relating to the estate tax) duplicate receipts, either of which shall be sufficient evidence of such payment, and shall entitle the executor to be credited and allowed the amount thereof by any court having jurisdiction to audit or settle his accounts.

(c) Cross references

(1) For receipt required to be furnished by employer to employee with respect to employment taxes, see section 6051.

(2) For receipt of discharge of fiduciary from personal liability, see section 2204.

(Aug. 16, 1954, ch. 736, 68A Stat. 778; Pub. L. 91-614, title I, §101(d)(2), Dec. 31, 1970, 84 Stat. 1837; Pub. L. 94-455, title XIX, §1906(b)(13)(A), Oct. 4, 1976, 90 Stat. 1834.)

AMENDMENTS

1976—Pub. L. 94-455 struck out “or his delegate” after “Secretary” wherever appearing.

1970—Subsec. (c)(2). Pub. L. 91-614 substituted “fiduciary” for “executor”.

EFFECTIVE DATE OF 1970 AMENDMENT

Amendment by Pub. L. 91-614 applicable with respect to decedents dying after Dec. 31, 1970, see section 101(j) of Pub. L. 91-614, set out as a note under section 2032 of this title.

§ 6315. Payments of estimated income tax

Payment of the estimated income tax, or any installment thereof, shall be considered payment on account of the income taxes imposed by subtitle A for the taxable year.

(Aug. 16, 1954, ch. 736, 68A Stat. 778.)

§ 6316. Payment by foreign currency

The Secretary is authorized in his discretion to allow payment of taxes in the currency of a foreign country under such circumstances and subject to such conditions as the Secretary may by regulations prescribe.

(Aug. 16, 1954, ch. 736, 68A Stat. 778; Pub. L. 94-455, title XIX, §1906(b)(13)(A), Oct. 4, 1976, 90 Stat. 1834.)

AMENDMENTS

1976—Pub. L. 94-455 struck out “or his delegate” after “Secretary” in two places.

§ 6317. Payments of Federal unemployment tax for calendar quarter

Payment of Federal unemployment tax for a calendar quarter or other period within a calendar year pursuant to section 6157 shall be considered payment on account of the tax imposed by chapter 23 of such calendar year.

(Added Pub. L. 91-53, §2(c), Aug. 7, 1969, 83 Stat. 92; amended Pub. L. 98-76, title II, §231(b)(2)(B), Aug. 12, 1983, 97 Stat. 429; Pub. L. 100-647, title VII, §7106(c)(3), Nov. 10, 1988, 102 Stat. 3773.)

AMENDMENTS

1988—Pub. L. 100-647 struck out “or tax imposed by section 3321” after “unemployment tax” and “and 23A, as the case may be,” after “chapter 23”.

1983—Pub. L. 98-76 inserted “or tax imposed by section 3321” after “Federal unemployment tax”, and substituted “chapter 23 and 23A, as the case may be,” for “chapter 23”.

EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by Pub. L. 100-647 applicable to remuneration paid after Dec. 31, 1988, see section 7106(d) of Pub. L. 100-647, set out as a note under section 3321 of this title.

EFFECTIVE DATE OF 1983 AMENDMENT

Amendment by Pub. L. 98-76 applicable to remuneration paid after June 30, 1986, see section 231(d) of Pub. L. 98-76, set out as an Effective Date note under section 3321 of this title.

EFFECTIVE DATE

Section applicable with respect to calendar years beginning after Dec. 31, 1969, see section 4(a) of Pub. L. 91-53, set out as a note under section 6157 of this title.

Subchapter C—Lien for Taxes

Part

- I. Due process for liens.
- II. Liens.

AMENDMENTS

1998—Pub. L. 105-206, title III, §3401(a), July 22, 1998, 112 Stat. 746, added part analysis.

PART I—DUE PROCESS FOR LIENS

Sec.

- 6320. Notice and opportunity for hearing upon filing of notice of lien.

AMENDMENTS

1998—Pub. L. 105-206, title III, §3401(a), July 22, 1998, 112 Stat. 746, added part heading and analysis consisting of item 6320.

§ 6320. Notice and opportunity for hearing upon filing of notice of lien

(a) Requirement of notice

(1) In general

The Secretary shall notify in writing the person described in section 6321 of the filing of a notice of lien under section 6323.

(2) Time and method for notice

The notice required under paragraph (1) shall be—

- (A) given in person;
- (B) left at the dwelling or usual place of business of such person; or
- (C) sent by certified or registered mail to such person's last known address,

not more than 5 business days after the day of the filing of the notice of lien.

(3) Information included with notice

The notice required under paragraph (1) shall include in simple and nontechnical terms—

- (A) the amount of unpaid tax;
- (B) the right of the person to request a hearing during the 30-day period beginning on the day after the 5-day period described in paragraph (2);
- (C) the administrative appeals available to the taxpayer with respect to such lien and the procedures relating to such appeals; and

(D) the provisions of this title and procedures relating to the release of liens on property.

(b) Right to fair hearing

(1) In general

If the person requests a hearing in writing under subsection (a)(3)(B) and states the grounds for the requested hearing, such hearing shall be held by the Internal Revenue Service Office of Appeals.

(2) One hearing per period

A person shall be entitled to only one hearing under this section with respect to the taxable period to which the unpaid tax specified in subsection (a)(3)(A) relates.

(3) Impartial officer

The hearing under this subsection shall be conducted by an officer or employee who has had no prior involvement with respect to the unpaid tax specified in subsection (a)(3)(A) before the first hearing under this section or section 6330. A taxpayer may waive the requirement of this paragraph.

(4) Coordination with section 6330

To the extent practicable, a hearing under this section shall be held in conjunction with a hearing under section 6330.

(c) Conduct of hearing; review; suspensions

For purposes of this section, subsections (c), (d) (other than paragraph (2)(B) thereof), (e), and (g) of section 6330 shall apply.

(Added Pub. L. 105-206, title III, §3401(a), July 22, 1998, 112 Stat. 746; amended Pub. L. 109-432, div. A, title IV, §407(c), Dec. 20, 2006, 120 Stat. 2962.)

AMENDMENTS

2006—Subsec. (b)(1). Pub. L. 109-432, §407(c)(1), substituted “in writing under subsection (a)(3)(B) and states the grounds for the requested hearing” for “under subsection (a)(3)(B)”.

Subsec. (c). Pub. L. 109-432, §407(c)(2), substituted “(e), and (g)” for “and (e)”.

EFFECTIVE DATE OF 2006 AMENDMENT

Pub. L. 109-432, div. A, title IV, §407(f), Dec. 20, 2006, 120 Stat. 2962, provided that: “The amendments made by this section [amending this section and sections 6330, 6702, and 7122 of this title] shall apply to submissions made and issues raised after the date on which the Secretary first prescribes a list under section 6702(c) of the Internal Revenue Code of 1986, as amended by subsection (a) [list prescribed Mar. 16, 2007, see I.R.S. Notice 2007-30, 2007-14, I.R.B. 883].”

EFFECTIVE DATE

Pub. L. 105-206, title III, §3401(d), July 22, 1998, 112 Stat. 750, provided that: “The amendments made by this section [enacting this section and section 6330 of this title and amending section 7443A of this title] shall apply to collection actions initiated after the date which is 180 days after the date of the enactment of this Act [July 22, 1998].”

PART II—LIENS

Sec.

- 6321. Lien for taxes.
- 6322. Period of lien.
- 6323. Validity and priority against certain persons.
- 6324. Special liens for estate and gift taxes.